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Editorial

Editorial: Delivering value in projects and project-based business

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1. Introduction

Project-related research has increasingly treated projects and project-based operations as vehicles for defining, creating and delivering value (Laursen and Svejvig 2016). Value is dominantly perceived as the “worth” of the project or its deliverables, dealing both with the immediate outputs of the project, the consequent outcomes (i.e., lifecycle benefits and sacrifices from using the project deliverable over time; Ahola et al. 2008; Zwikaël and Smyrk 2012), and the buyer's willingness to pay for the deliverable (Bowman and Ambrosini 2000). A moral or social perspective of values has also been acknowledged in the context of projects (Aliakbarlou et al. 2016): that is, treating values as abstract **ideals and beliefs** of what is good and right (Rokeach 1973). Public and private organizations and their managers espouse their beliefs of what is important to them and attempt to influence the actions of other stakeholders, thereby drawing attention to the sense-making and framing processes and power and politics in project settings. The multidimensional nature of value is well understood, appearing in various economic, social, and environmental (Martinsuo and Killen 2014; Kivilä et al. 2017) as well as symbolic and political dimensions of value (Eslerod and Ang 2017; Flyvbjerg 2017).

Project success, therefore, cannot be assessed merely in terms of goals reached at the time of project completion but also in terms of benefits compared to costs and value achieved over the project lifecycle compared to original value expectations of various stakeholders. Relevant value expectations are defined quite early, at the front end of the project. Thereby, a project's

value has an important position in the strategy designed to govern the project, reflected in the project delivery model (Klakegg et al. 2016; Hjelmbrække et al. 2017), business model (Kujala et al. 2010), and the firm's portfolio of projects (Martinsuo et al. 2012; Martinsuo and Killen 2014). Organizations expect to achieve high value by setting up ambitious strategies and well-designed delivery models for projects, but this pursuit can become laborious and risky in dynamic business environments.

The value-creation process is complex within the firm (Bowman and Ambrosini 2000) and can be even more so in inter-organizational projects (Hjelmbrække and Klakegg 2013) involving both public- and private-sector actors (Klakegg et al. 2016; van Marrewijk et al., 2008). When multiple stakeholders are involved in delivering and capturing project value, their different viewpoints need to be taken into account at the front end of the project (Kolltveit and Grønhaug 2004) and negotiated during the course of the project lifecycle (Veeneman et al., 2009). Various issues may challenge, potentially even endanger, value delivery over the lifecycle of the project, thereby calling for integration across the multi-organization system (Artto et al. 2016).

2. Special issue focus

This special issue concentrates on the delivery of value in projects and project-based business. By *delivering value* we mean the activities, processes, and strategies that organizations use to produce benefits at a reasonable cost, either in specific projects or through project business in general. With this choice we advocate the idea that projects are not merely intended for their immediate deliverables and achievement of scope, time, and cost goals but are also used to produce benefits and

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outcomes over the lifecycle of the project deliverable. Although value and its definition, creation, and capture have received increasing attention in business research generally and project-based research specifically, the complex nature of projects and project business entails multiple challenges and open issues that deserve further research attention.

For this special issue, we have assembled topical conceptual and empirical studies on value and its contextuality, creation, and capture in projects and project-based business in different application domains. By calling for papers for this special issue, we wanted researchers to develop new knowledge about successful ways of framing, negotiating, and delivering value in complex and uncertain project-related contexts. We originally requested papers inspired both by relevant real-life challenges in project-based business and by their alternative theoretical explanations. Although we encouraged authors to adopt alternative or multiple levels of analysis—project, project portfolio or program, project-oriented organization, project business, project network—the papers primarily look at the issue either from a single project or program perspective (in a single firm or network) or from the perspective of the link between the projects and the parent organization generally.

The topic of delivering value in projects and project business was inspired through a symposium organized for the Project Organizing Special Interest Group at the EURAM European Academy of Management Conference in Glasgow in June 2017. The symposium as such did not include papers or paper presentations, but it raised a lively discussion and interest among project-business researchers. Consequently, the call for papers attracted 40 proposals, of which 15 were invited to be developed into a full paper. After an ordinary double-blind peer review process and two to four revisions, eventually 10 papers were accepted to the special issue. The versatility and quantity of the original proposals as well as the serious writing and revision work that the authors committed to demonstrate the relevance of and global interest in the special issue's theme.

Next we will introduce each of the accepted papers briefly. We have clustered the papers inductively, based on their primary content, into three recurring themes that characterize the core aspect of delivering value: (1) value in context, (2) value creation and co-creation, and (3) value delivery and capture. This thematic division is far from perfect as many of the papers span across the themes. However, this division helps connect the papers logically with each other and also ties them to the core theme of delivering value.

3. Value in context

Three of the papers deal with **how value emerges in its context**. These papers communicate that project-related value is constructed in the minds and language of people, in connection between the projects and the parent organization, and at any phase of the projects, including the end-of-life.

The paper by Stuart Green and Natalya Sergeeva on “Value creation in projects: Towards a narrative perspective” opens new pathways in the value-creation landscape. They point out that value is a social construct and that social construction is

rooted in language. This further leads to an exciting and critical perspective on value creation that challenges many of the established theories and practices aimed at maximizing value creation and optimizing value capture. The authors use their theoretical lens to highlight that value itself may be seen as a part of the beholders' identity work, and that the process may best be described as narrative, even anecdotal in nature. The paper may stimulate meaningful debate on current practices and understandings of value creation. It may even help theory makers and practitioners reflect more deeply on their thoughts, practices, and tools.

In their paper “Governance of projects: Generating value by linking projects with their permanent organization”, Eva Riis, Kim Wikström, and Magnus Hellström discuss the complex interplay of links that connect temporary organizations with their permanent parent organization. The concept of links is used to understand the integration process between temporary and permanent organizations. They identify the elements of governance of projects based on previous literature. Building upon these elements, the authors construct links between projects and the permanent organization. Four cases were selected to tease out the most important features relating to value generation. By ensuring that links between the elements of governance of projects are in place, active organizations can ensure that value is envisaged, created, and subsequently harvested.

The paper of Diletta Colette Invernizzi, Giorgio Locatelli, Marcus Gronqvist and Naomi Brookes about “Applying value management when it seems that there is no value to be managed: The case of nuclear decommissioning” takes an interesting position when they question value management at the end of an asset's lifecycle. Unlike most contributions to the value-creation literature, they identify a context where the usual expressions of value (revenue, economic gains for the owner and investor) may seem absent or even negative. This is the case in the process of ruination (Gupta 2018) of many decaying infrastructures, such as energy installations around the world in light of the ongoing energy transition or otiose railway lines. The paper investigates the use of value management in such a context and contributes new knowledge about the roles of the value manager and the multidisciplinary team in handling such end-of-life projects, specifically for nuclear facilities.

4. Value creation and co-creation

Four papers focus on **value creation and co-creation** and draw attention to the dynamics and connectedness of value creation in projects. A key message from these papers is the dynamic and socially constructed nature of value creation, with project actors engaging in co-creating interactions and in discussing subjective perceptions of the value of project risk management.

Yan Liu, Alfons van Marrewijk, Erik-Jan Houwing and Marcel Hertogh focus on “The co-creation of values-in-use at the front end of infrastructure development programs”. Their study deals with large and complex multi-project programs where value-in-use is already anticipated and negotiated at the

front end of the program but may be implemented differently throughout the lifecycle of the program, in its different projects. The action research study concerning a Dutch infrastructure development program, namely Multi Water Works of Rijkswaterstaat, reveals how the stakeholders co-created the idea of value-in-use in workshop sessions at the front end of the program, with focus on three different types of value-in-use: commercial, intellectual, and collaborative. The findings contribute by offering a rich illustration of events and experiences at the front end of the program, differentiating the supplier's and users' views of value-in-use, and critically identifying the limitations of co-creation. The decisions and actions at the program front end guide the consequent realization of value-in-use in the program's projects.

The paper by Marcos Fuentes and Hedley Smyth on the “Co-creation of value outcomes: a client perspective on service provision in projects” challenges the dominant view that projects deliver “a product”. They claim that projects could be viewed as service provision, that service-dominant logic offers a new perspective on what happens in projects, and that value outcomes are co-created jointly between the supplier and the client. They report a multiple-case study on project implementation in the education environment from the clients' perspective and reveal the nature of various co-creation interactions that enhance value outcomes. Their study contributes by showing the service-oriented logic of project implementation and proposing practical ways for clients to engage in co-creating interactions over the lifecycle of the project.

The paper of Farzad Pargar, Jaakko Kujala, and Kirsi Aaltonen on “Value creation dynamics in a project alliance” explains how the dynamics of the project-execution phase influence processes of value creation. This paper builds new theory from a literature review and use of a qualitative system dynamics methodology. The authors identify four key processes that influence value creation in the project alliance context and explain the importance of capability and motivation among the alliance partners. It expands our understanding of the dynamic nature of value creation in the project execution phase. The paper may have practical implications for how managers think about developing alliance capability and collaborative culture.

Pelle Willumsen, Josef Oehmen, Verena Stingl, and Joana Geraldi direct attention towards “Value creation through project risk management”. As risk management is a crucial sub-process in reaching the value outcomes of projects, the authors want to increase our understanding of how the stakeholders experience the value of risk management, in terms of both process and outcomes. Their empirical research combined a single case study and a cross-sectional interview study, reveals a rich variety of subjective perceptions concerning both outcomes and process towards value, and thereby points out challenges regarding the usefulness and value of project risk management. The core contribution of the study is the step-by-step construction of a framework concerning the value of risk management and the identification of the bottlenecks in dominant approaches to project risk management, which do

not necessarily account for the implications of subjective value and risk assessments.

5. Value delivery and capture

Three papers draw attention to **value delivery and capture**. Although sometimes the distinction between creation, delivery, and capture is not fully clear, we interpret these papers to be focused on the ways in which value is delivered in projects, how organizations or projects reach value through project-related activities, and how organizational conditions can be used to support value delivery.

Lauri Vuorinen and Miia Martinsuo based their paper, “Value-oriented stakeholder influence on infrastructure projects”, on a multiple case study of three transport infrastructure projects: a railway, a subway, and a road tunnel project. The authors discuss the dimensions of project value and focus on alternative strategies of stakeholders to influence project value during project execution. The authors argue that stakeholders' expectations of project value creation explain the influence strategies they utilize, identifying four stakeholder influence strategies: communication, complaints and disputes, decision-making authority, and rules and supervision. Stakeholders' efforts to influence are based upon three project value dimensions: environmental and social value, financial value, and systemic value. Their study offers an interesting insight into how stakeholders influence the creation of project value and the systemic and interconnected nature of project value.

Marina Bos-de Vos, Leentje Volker and Hans Wamelink, in their paper “Enhancing value capture by managing risks of value slippage in and across projects”, consider ways that project-based firms can ensure value capture by managing risks of value slippage. Their study is based on the premise that value in a multi-project setting may unintentionally slip beyond the reach of a certain project, and that this risk can be managed through various strategies and tactics to enhance the potential for value capture. Their exploratory study of architectural firms reveals strategies for solving value slippage—postponing financial revenues, compensating for the loss of financial revenues across projects, and rejecting a project—and more detailed tactics within them. Their study offers a new and more critical view of value capture in projects by, particularly, pointing out the synergizing, redistributing, and bargaining that can take place between projects to capture value in a multi-project context.

The paper by Per Svejvig, Joana Geraldi, and Sara Grex focuses on “Accelerating time to impact: Deconstructing practices to achieve project value”. Although scheduling is a key component of project management, the authors show that acceleration is sought not just to accomplish project deliverables but to achieve impacts and value after the project. As previous research has not offered sufficient information on such practices, they report a multiple-case study of five industrial firms that have implemented case projects using a similar program of acceleration, called Project Half Double methodology. Their results reveal that acceleration is not always equally relevant and certain implementation requirements exist for the

acceleration to succeed. As a key contribution, the paper indicates that companies need to be selective in when and how to pursue acceleration in projects' time to impact. The findings offer new information concerning the valuation, institutionalization, management, and purposeful acceleration of time to impact in different projects.

6. Conclusions and future research opportunities

This special issue intended to compile topical conceptual and empirical studies on value, its delivery, and its capture in projects and project-based business. The ten contributions cover different levels of analysis: project, program, project-oriented organization, and project alliance, indicating the broad application of value creation in project settings. They also cover different project phases: from the front end of a program (Liu et al. 2019) to the execution phase (Fuentes and Smyth 2019; Pargar et al. 2019; Vuorinen and Martinsuo 2019; Svejvig et al., 2019) and finally to the solution's end-of-life phase (Invernizzi et al. 2019), showing the relevance of value creation over the project lifecycle. With these contributions, the special issue succeeded in its aim to develop new knowledge about successful ways to negotiate and deliver value in complex and uncertain project-related contexts. We feel that the front-end and back-end phases of projects and the process view of co-creating value between contractors, clients, and other stakeholders remain highly relevant topics for further research. Also, issues regarding the right timing of decisions over the project lifecycle, the management of value across the boundary between the core project team and the secondary stakeholders, and the entry of new stakeholders into the core project team deserve further attention.

Diverse theoretical explanations were used to discuss and frame project value. Some papers used a critical perspective (Bos-de Vos et al. 2019; Green and Sergeeva 2019), others connected projects with risk management (Willumsen et al. 2019; Bos-de Vos et al. 2019), stakeholder management (Vuorinen and Martinsuo 2019), service-dominant logic (Fuentes and Smyth 2019), and system dynamics (Pargar et al. 2019). Riis et al. (2019) built upon temporary organizations to discuss the value creation process between temporary and permanent organizations, which is broadly studied but not yet fully understood. The topic of project value apparently appealed for qualitative approaches as the majority of the contributions used qualitative methods, such as participant observation, interviewing, document-based studies, system modeling, and narrative analysis. Consequently, the number of studied projects, programs, or organizations was limited to one or just a few. We originally received proposals and papers with quantitative approaches, but they did not develop into full contributions within the time scale for this special issue.

The special issue misses a number of relevant topics that deserve future attention. Although we welcomed studies from the perspectives both of value as “worth” (i.e., economics and engineering) and value as “ideals” (social sciences), the latter perspective was less covered, particularly in terms of potential theoretical explanations. While the subjective and narrative

viewpoints were explicated in many papers, they were not yet strongly theorized from sociological, behavioral, or psychological viewpoints. Future research could focus on the embedding of project values as “ideals” in project-based organization culture and the ways in which public and private stakeholders make sense, negotiate, and agree over conflicting values. We, thereby, suggest that forthcoming studies consider project-related values as ideals and include more versatile theoretical explanations: for example, concerning organizational identities and cultures, socialization, organizational politics, and sense-making.

A dominant trend seems to be that value is treated as something that has been defined and eventually achieved, particularly in terms of the outcomes and benefits that are reached in projects and project-based organizations. Yet, value also includes investments and costs in terms of various resources that organizations use to achieve those outcomes and benefits. The papers in this special issue do not really focus on the investments and costs used to reach value. We feel that an organization's actual investments for value creation are of great interest. In particular, there is a need for knowledge of what the resource inputs are, how they are planned and targeted for various value-creating tasks, how their efficient use is guaranteed, and how resourcing choices at a project front end are converted to value capture in later phases. Also, real-life project-based organizations are highly concerned with ways to increase resource efficiency in project business and use various digital technologies and solutions for that purpose. Again: how are resource investments (both tangible and intangible) converted to benefits? Does digitalization add value, and how?

Some further ideas were sparked during the editors' discussions, based on consideration of the domains not really covered in this special issue, including but not limited to the following:

- How do organizations treat the specific dimensions of value that contain high risk, such as safety, sustainability, and social and societal influence, and how does value creation in each of these dimensions differ across different project types?
- How is the idea of value converted to the control of the project, and how are competing values controlled throughout the project lifecycle?
- How is project-level value converted to value at the level of the project portfolio and, consequently, at the level of the entire business? How do organizations achieve value synergies by managing projects in portfolios or programs?
- How is value converted to actual profits for different stakeholders?
- How does formalized project management threaten or even destroy unplanned, emergent value in projects and project-based organizations?

We are aware that the call for papers inspired much more research than could be included in this special issue, and many quite interesting proposals were deselected during the process. We follow with great interest how the other original proposals may develop and eventually appear in regular journal issues and how the papers in this special issue spark new research openings.

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